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INFORMATION REPORT

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Collectivization of Agriculture

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SUPPLEMENT TO REPORT NO.

- The German Trade Center (Deutsche Handelszentrale) Machine and Vehicle Construction is to take over trade in agricultural machines and parts and tractors and tractor parts by the end of June. This trade has been handled up to now for the post part by the main agricultural cooperatives (Hauntgenossenschaften) in the various Länder. These are the state headquarters for the cooneratives which have existed in most Kreise for decades. They function as wholesale dealers. The organization of village cooperatives began several months ago; these are joined together economically and organizationally in the Kreis cooperatives. They function as retailers, and are supposed to supply the farmers with machines, tools, fertilizers, etc., and to do "cultural work". The Hauotgenossenschaften are to be dissolved in the near future. The Kreis Genossenschaften are to cease their trade activity gradually and continue to function only as a connecting organization for the village Genossenschaften. The utilization of the German Trade Center Machine and Vehicle Construction will entirely eliminate wholesale trade both by private persons and by cooperatives. In the village Genossenschaften now being built up, the new settlers are in the majority, while in the Kreis Genossenschaften the larger holders have the determining influence. The main income of the village Genossenschaften is expected to be derived from retail profits, which they have been required un to now to share with the Kreis Genossenschaften but will now keen all for themselves.
- 2. After the elections in October and after the harvest, a considerable number of new settlers, from villages consisting mostly of new settlers, are to join together to form "production communities". They will agree to undertake jointly the cultivation and care of fields and the hervest. The production community will fill its quota as a single body and will sell the excess as a body on the open market. The profits thus obtained will be distributed among the members to each

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according to the amount of work he has done. Amount of work will be measured in hours. The law promulgated a few months ago on the payment of farm workers will serve as the basis for money payments.

3. SED Land authorities have been given the task of quietly meeting selected suitable new settlers and planting in their minds the idea of the production community. The resulting federation of the new settlers will then be brought before the eyes of the public in a widespread propaganda campaign. After preparations of this sort, and after reports of the first experiences have come in, the Ministry of Agriculture will draw up a law which will regulate the formation of such production communities. The compulsory recruitment of those farmers who do not join voluntarily will be provided for in the bill, insofar as they are in the minority or the position of their fields hinders the communal cultivation of the fields belonging to a production community.